

**UNAPPROVED
MINUTES OF THE SPECIAL MEETING OF THE
ALAMEDA REUSE AND REDEVELOPMENT AUTHORITY
Wednesday, February 2, 2011**

The meeting convened at 6:30 p.m. with Chair Gilmore presiding.

Roll Call – Present: Board Members Bonta, deHaan, Johnson, Tam and Chair Gilmore – 5.

Absent: None.

The meeting was adjourned to Closed Session to consider:

(*11-010) CONFERENCE WITH REAL PROPERTY NEGOTIATOR (54956.8):

Property: Footprint of Veterans Administration proposed federal entity to federal entity transfer at Alameda Point, and area known as Northwest Territories at Alameda Point (maps of the areas on file with ARRA Board secretary at City Hall, City Clerk's Office).

Negotiating parties: Veterans Administration, US Navy, ARRA

Under negotiation: Price and Terms

Following the Closed Session, the meeting was reconvened and Chair Gilmore announced that regarding Real Property, the ARRA provided direction on terms.

ADJOURNMENT

There being no further business, Chair Gilmore adjourned the meeting at 7:25 p.m.

Respectfully submitted,

Irma Glidden
ARRA Secretary

**UNAPPROVED
MINUTES OF THE REGULAR MEETING OF THE
ALAMEDA REUSE AND REDEVELOPMENT AUTHORITY
Wednesday, February 2, 2011**

The meeting convened at 7:31 p.m. with Chair Gilmore presiding.

1. ROLL CALL

Present: Board Members Bonta, deHaan, Johnson, Tam and Chair Gilmore – 5.

Absent: None.

2. CONSENT CALENDAR

(*11-011) Approve the minutes of the Regular Meeting of January 5, 2011.

(*11-012) Adopt a Resolution Amending Resolution No. 49 Setting the Order of Business of the Alameda Reuse and Redevelopment Authority Meetings.

Member Tam moved for approval of the Consent Calendar. Vice Chair Bonta seconded the motion, which carried by unanimous voice vote – 5. [Items so enacted or adopted are indicated by an asterisk preceding the paragraph number.]

3. REGULAR AGENDA ITEMS

(11-013) Endorse "Going Forward" Process and Schedule for Alameda Point Redevelopment.

The Deputy City Manager – Development Services/project manager, summarized the Going Forward process. The interdepartmental team includes the Planning Services Manager and Public Works Director. The Going Forward process is a two-tier process: Tier 1 is developing a vision and project description for Alameda Point through July 2011 to use as a basis to start the City's environmental review process (CEQA); and the Navy for their NEPA process in terms of conveyance. Tier 2 is the Entitlement process from July 2011- July 2013, which has four major entitlements: Specific Plan, Master Infrastructure Plan, a Conveyance Agreement, and State Lands Exchange Agreement. A community-planning workbook was developed and provided online. The workbook was used to facilitate several community workshops that were held. Staff will prepare a summary report that will be presented at the March 2 ARRA meeting. A tenant forum is scheduled next week. The next six months of the Going Forward process will focus on several efforts. The first and biggest is the Master Planning effort, which will include the project management team and a team of consultants: land use planning, economics, civil engineering, transportation, environmental, sustainable infrastructure. There is also a plan to work with ARRA staff and PM Realty on a long-term leasing strategy to leverage additional funding and create momentum for longer term leases on buildings that will be remaining, as well as work with the Navy and State Lands on joint proposed conveyance objectives and principles regarding land conveyance. There will be a pro forma, and discussion of land value and structuring how the land is transferred from the Navy.

Member Johnson inquired whether there is an ARRA agreement with PM Realty and the status of an RFP for a property manager. The Acting City Attorney responded that there is a property management agreement with PM Realty from 2004. Regarding the status of the RFP for a property

manager, the Deputy City Manager – Development Services replied that an RFP has not been done yet, but staff will make it a priority as time permits.

Chair Gilmore reminded staff that she has asked for a real estate leasing primer from staff, and would like this primer before a property manager RFP, because it will inform the RFP. The Deputy City Manager – Development Services replied that the leasing primer has been put in a draft scope for an economics firm to help staff put together a presentation. The primer will be done as soon as there is an economist on board.

The project management team is working with the Federal Government, Veteran's Administration, on their project as a potential institutional user; as well as with the Alameda Point Collaborative (APC) and Building Futures for Women and Children, consolidating their facilities to meet their longer term needs, but on a smaller piece of land. The Public Works department will be implementing a federal transportation administration grant for transportation improvement and routes at Alameda Point.

The Deputy City Manager – Development Services prepared a budget of the project, which will be discussed further on 2/15 at the mid year adjustment.

The Planning Services Manager discussed the adopted general plan for Alameda Point.

Member Tam discussed the importance of engaging the school district, East Bay Regional Park District (EBRPD), Peralta Community College District, as they were not included in the outreach. The Deputy City Manager – Development Services explained that staff will be meeting with the EBRPD tomorrow, and will include these agencies in the outreach.

Vice Chair Bonta supports moving forward with the Going Forward process, as the plan provides specificity and focus, with flexibility - an important balance. Member Johnson and Chair Gilmore also support moving forward. Chair Gilmore emphasized the importance of flexibility. She stated that the process and plan couldn't be so rigid that opportunities are missed.

Speakers: Doug Biggs, Rob Ratto, Elizabeth Greene, Helen Sause, Carol Gottstein, Nancy Hird, Gretchen Lipow, Karen Bey.

Member deHaan moved to approve endorsing the Alameda Point "Going Forward" Process. Member Johnson seconded the motion, which carried by unanimous voice vote – 5.

(11-014) Provide Direction on Key Aspects of Response to Lawrence Berkeley National Laboratory's Request for Qualifications for a Second Campus at Alameda Point and Approve Issuance of Request for Qualifications for Developers.

The Deputy City Manager – Development Services gave an overview on the Lawrence Berkeley National Lab (LBNL) RFQ for a second campus. The interdepartmental team lead by the Deputy City Manager – Development Services, includes the Public Works Director (Matt Naclerio), Planning Services Manager (Andrew Thomas), Alameda Municipal Power General Manager (Girish Balachandran), and Economic Development Manager (Eric Fonstein). The team has prepared the first draft of the response, identified key aspects and would like policy direction on four key points to finalize a competitive response: 1) Site Location, 2) Planning Guidelines 3) Financial Incentives 4) Developer RFQ.

The Deputy City Manager – Development Services discussed the Next Steps and timeline for the decision-making process and selection of development team.

Chair Gilmore inquired where the developer's economic incentive will come from. The Deputy City Manager – Development Services discussed initial ideas, including fee development and private development to land adjacent, and that it was structured in the RFQ to ask each of developers to put forth recommendations.

Member Johnson commented that the zero cost idea is worth it to have LBNL at Alameda Point. Member Johnson stated that the project should have a defined, tight design and review process. The Planning Services Manager discussed various ways to structure a design and review process that would give the community assurance of high quality design buildings that would fit within the design expectations of the city and minimize the time and energy LBNL would have to spend in a normal design and review process.

Member Tam discussed LBNL's expectation that the ARRA will engage an entity with appropriate development experience. Member Tam inquired whether LBNL can be part of the developer evaluation process so that there is an even playing field with everyone else. The Deputy City Manager – Development Services explained that LBNL clearly stated that a developer team was not required in the initial process but that the project team would check to see if LBNL would like to weigh in on the evaluation so that the ARRA doesn't end up with a partner that could be of a disadvantage.

Speakers: Rob Ratto, Elizabeth Greene, Seth Hamalian, Phil Owen, Karen Bey, Nancy Hird.

Vice Chair Bonta asked for clarification on the \$14M in benefits to the city, inquired about the time period and the assumptions. The Deputy City Manager – Development Services explained that the \$14M is based on an economic impact study done for the second campus, and contemplates 800 jobs in the first phase. The economic development manager stated that the study is based on facilities in Walnut Creek and Emeryville, and how much revenue and impacts there were on those host communities. Since that study was done, the LBNL's conception of the second base initial phase has grown much larger, as it would be consolidating not just those two facilities, but also the Oakland & Berkeley facilities. Vice Chair Bonta clarified that the ARRA would be proposing a no-cost long-term lease and an option to buy at no cost. The Deputy City Manager – Development Services confirmed that when the City receives the land from the Navy, it would then be transferred to LBNL. The Acting General Counsel explained that the ARRA has a Lease in Furtherance of Conveyance (LIFOC) so will be providing a sublease, and when title to the property is received, it will be title going to LBNL.

Vice Chair Bonta inquired whether there is a site that staff determined to be second best, and what were the drawbacks as compared to the preferred site. The Deputy City Manager – Development Services explained that there are some outstanding leaseholds the project team felt would create some uncertainty, so the preferred site had the least number of issues. The Planning Services Manager stated that both sites are great and the ARRA is open to discussing variations of the sites. Vice Chair Bonta suggested the ARRA be more bold to attract LBNL by offering to provide a menu of other options and be aggressive in financial incentives and no-cost incentives, AMP discount, reduced planning fees, and tax rebates. Member Johnson agrees and supports making that part of the initial proposal so that it is more attractive and highly competitive.

Member Tam inquired if LBNL's existing facilities in Walnut Creek and Emeryville were able to generate the \$14M tertiary economic benefit from those communities. The Economic Development manager explained that the analysis by CBRE looked at direct and indirect spending and the tertiary, multiplier effect of payrolls, of employee spending; including spending in restaurants, shopping, and sales tax.

The Board discussed the existing amenities on Alameda Point, Webster Street, and Marina Village.

The Deputy City Manager – Development Services explained the main reason why staff did not propose any additional waivers or fees. The project team does not yet have enough information on potential impacts, or what LBNL is proposing, especially in terms of how much money is brought to the table for infrastructure. There is also no developer on board yet that could advise on the financial side of the deal. The project team is concerned about giving away too much too soon because there are still transportation infrastructure burdened out at Alameda Point.

Member Johnson discussed not proposing anything specific, but suggested indicating a catalog of other incentives the ARRA is open and willing to discuss with LBNL. Member deHaan commented that owning an electric company is extremely powerful. The Deputy City Manager – Development Services informed the Board that the Alameda Municipal Power (AMP) General Manager has discussed the proposal with the Public Utilities Board. There are mitigateable risks and concerns about load and usage, AMP has to be careful not to offer discounts on rates that might spike usage. Staff can be more responsive and can start addressing and negotiating terms if/when the ARRA is shortlisted.

Member Johnson commented that there is a risk if a long term contract for power is given, and the user goes away, making a comparison to when the Navy closed the base. Fortunately for the City of Alameda, because of the long term power contract it had with the Navy, the City had excess power which was sold back to the grid during the power crisis. Member Johnson stated that the LBNL scenario should not be viewed as risk, but as an opportunity.

Chair Gilmore requested a full report from the AMP General Manager on the electric issue. The Acting City Manager stated that a report will be presented at the next ARRA meeting on March 2.

Member Johnson motioned to direct staff to prepare and put forth an RFQ for a Developer for the LBNL project. Vice Chair Bonta seconded the motion, which carried by unanimous voice vote – 5.

4. ORAL REPORTS

(11-015) Oral report from Member deHaan, Restoration Advisory Board (RAB) representative
- Highlights of January 6, 2011 Alameda Point RAB Meeting.

Member deHaan reported that the RAB discussed Building 5 and 5A (Site OU-2C), a 1.5M square feet complex, to make a determination to bring the site to remediation level. The site was the center and hub of industrial operation, there was lots of activity causing a major impact to the environment, including radiation concerns. The Navy has four proposals: 1) take no action, 2) cement the pipes, 3) tear the building down, and 4) dig and haul. Member deHaan commented that he is impressed with the dedication of the RAB members and the community, they have depth of knowledge which they lend as community support and have come up with good recommendations. The RAB also discussed the conveyance status and the redevelopment planning status. Member deHaan stated that the Deputy City Manager – Development Services presented the Going Forward process to the RAB and it was well received. Member deHaan stated that he will not be able to attend the February 3 RAB meeting due to a scheduling conflict.

Member Johnson also reminded staff and the public not to forget the commitment of the Navy during the remediation process. The Deputy City Manager – Development Services stated that staff will ask the Board for policy direction on the OU-2C site in coming months.

Speaker: Gretchen Lipow

5. ORAL COMMUNICATIONS, NON-AGENDA (PUBLIC COMMENT)

None.

6. EXECUTIVE DIRECTOR COMMUNICATIONS

None.

7. REFERRALS FROM THE GOVERNING BODY

None.

8. COMMUNICATIONS FROM THE GOVERNING BODY

None.

9. ADJOURNMENT

There being no further business, Chair Gilmore adjourned the meeting at 10:06 p.m.

Respectfully submitted,

Irma Glidden
ARRA Secretary

UNAPPROVED
MINUTES OF THE SPECIAL JOINT CITY COUNCIL AND ALAMEDA
REUSE AND REDEVELOPMENT AUTHORITY (ARRA) MEETING
TUESDAY- -FEBRUARY 15, 2011- -6:00 P.M.

Mayor/Chair Gilmore convened the meeting at 6:00 p.m.

Roll Call – Present: Councilmembers/Board Members Bonta, deHaan, Johnson, Tam and Mayor/Chair Gilmore – 5.

Absent: None.

The meeting was adjourned to Closed Session to consider:

(11-068 CC) Conference with Legal Counsel – Anticipated Litigation; Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9; Number of cases: Two

(11- ARRA) Conference with Real Property Negotiators; Property: Alameda Point; Negotiating parties: ARRA and Navy; Under negotiation: Price and terms

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Mayor/Chair Gilmore called a recess to hold the regular meeting at 7:50 p.m. and reconvened the closed session at 12:30 a.m.

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Following the Closed Session, the meeting was reconvened and Mayor/Gilmore announced that regarding Anticipated Litigation, legal strategy was discussed and the City Council provided direction; and regarding Real Property, price and terms were discussed; direction was given to staff.

Adjournment

There being no further business, Mayor/Chair Gilmore adjourned the meeting at 1:38 a.m.

Respectfully submitted,

Lara Weisiger
City Clerk

The agenda for this meeting was posted in accordance with the Brown Act.